



**SAN MIGUEL CORPORATION**

March 9, 2016

**The Philippine Stock Exchange, Inc.**  
Disclosure Department  
3<sup>rd</sup> Floor, Tower One and Exchange Plaza  
Ayala Triangle, Ayala Avenue

Attention: **Ms. Janet A. Encarnacion**  
**Head - Disclosure Department**

Re: Preferred Share Offering of San Miguel Corporation  
(the "Offering")

Further to our disclosure today, dated March 9, 2016, relating to the above-captioned subject, we advise that the Company received from the Securities and Exchange Commission the approval for the Offering. Enclosed herewith for the information of the Exchange is a reproduction copy of such approval.

Very truly yours,

**Virgilio S. Jacinto**  
Corporate Secretary



REPUBLIC OF THE PHILIPPINES  
Department of Finance  
**SECURITIES AND EXCHANGE COMMISSION**  
SEC Building, EDSA, Greenhills, Mandaluyong City 1554

**MARKETS & SECURITIES REGULATION DEPARTMENT**

08 March 2016

**SAN MIGUEL CORPORATION**

No. 40 San Miguel Avenue  
Mandaluyong City  
Fax No.: 632 38 66

ATTENTION: **MR. EDUARDO M. COJUANGCO, JR.**  
Chairman and Chief Executive Officer

Gentlemen:

We have reviewed the company's Amended Registration Statement (SEC Form 12-1) filed with this Commission on 20 February 2015 covering the registration of **NINE HUNDRED SEVENTY FIVE MILLION FIVE HUNDRED SEVENTY ONE THOUSAND EIGHT HUNDRED (975,571,800) OF SERIES "2" PREFERRED SHARES** at an Offer Price of P75.00 to be issued in one or more tranches.

For the first tranche, the company will conduct a base offer amounting to **TWENTY ONE BILLION PESOS (P21,000,000,000.00)** of Series "2" Preferred Shares with an Over Subscription Option totaling **NINE BILLION PESOS (P9,000,000,000.00)**.

The Commission in its meeting of 08 March 2016 favorably considered the said Registration Statement and the Offer under the first tranche subject to the company's submission of the following:

1. Final Prospectus<sup>1</sup> and Offer Supplement;
2. Final Underwriting Agreements and list of sub-underwriters and selling agents if any, and the corresponding agreements;
3. Signed Registry Agreement;
4. PSE Listing Application.

In the event that any of the following occurs, the prospectus cannot be used until appropriate amendments are thereto and said amendments have been properly filed with the Commission, to wit:

- There is a material change in any information contained therein;
- A material event occurs which would otherwise be required to be reported on SEC Form 17-C; and
- The financial statements contained therein are over 225 days old.

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<sup>1</sup> Including 2014 Consolidated Audited Financial Statements with notarized Statement of Management Responsibility and 2015 Interim Financial Statements as of 30 September 2015 and other documents that form part of the financial statements i.e., addition components of the financial statements with a covering audit report as required under SRC Rule 68, as amended.

In addition, your attention is directed to the following requirements of the pertinent SRC Rules and SEC Form 12-1 which must be submitted/complied with in connection with the offering:

- **SRC Rule 8.1.1.5** – The sale of subject securities shall commence within ten (10) business days from the date of effectivity of the Registration Statement; and
- **SRC Rule 8.1.1.6** – Written notification of completion or termination of the offering shall be filed with the Commission within three (3) business days from such completion or termination, and the notice shall state the number of securities sold.
- **SRC Rule 8.1.3.5 – Notice of Availability of the Prospectus**
- **SRC Rule 12.5(b).3** - The Order of the Commission rendering effective the registration statement shall, at the expense of the Issuer, be published in national newspaper of general circulation and uploaded in its website within two (2) business days from its issuance.

The company is hereby directed to furnish the Commission with a copy of the affidavit of publication of the Order of Registration.

#### SEC Form 12-1

##### Item 1 (Part VI, paragraph (A)(5))

On the outside front cover page of the prospectus, the information provided shall be in an easily readable style and format and include, at a minimum, the following information in bold face 12 point type, prominently displayed

**"THE SECURITIES AND EXCHANGE COMMISSION HAS NOT APPROVED THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS ACCURATE OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE AND SHOULD BE REPORTED IMMEDIATELY TO THE SECURITIES AND EXCHANGE COMMISSION."**

##### Item 2 (Part VI, paragraph (B)(8) of "Annex C")

A prospectus that has become effective should provide, the following statement in bold face 12-point type, prominently displayed, and *signed by the President under oath*:

**"ALL REGISTRATION REQUIREMENTS HAVE BEEN MET AND ALL INFORMATION CONTAINED THEREIN IS TRUE AND CURRENT"**

Immediately following compliance with the foregoing requirements, the registration of **975,571,800 Series "2" Preferred Shares** shall be declared effective by the Commission through issuance of an **Order of Registration**.

However, the Permit to Sell Securities that shall be issued will cover only the securities to be offered under the relevant tranche.

The pre-effective letter is without prejudice to the prerogative of this Department to act latter against the subject entity, if warranted, to ensure full compliance with the provisions of the Securities Regulation Code, its Implementing Rules and Regulations, as well as P.D. 129, as amended, and Omnibus Rules and Regulations for Investment House and Universal Bank Registered as Underwriters of Securities.

Very truly yours,

  
**VICENTE GRACIANO P. FELIZMENIO, JR.**  
Director